

aware of the dangers and causes of heart disease. Through their efforts we are more prepared to fight cardiovascular disease and are armed with more effective treatments that continue to be developed. Based on the demonstrated history of dedication by these organizations and how far we have come in fighting cardiovascular disease, I look to the next fifty years with optimism and anticipation of what science will accomplish in building on the solid foundation begun in 1948. •

FEDERAL EMPLOYEE PAY FAIRNESS ACT

• Mr. SARBANES. Mr. President, yesterday, I joined with my colleagues, Senators MIKULSKI, WARNER, and ROBB in introducing S. 1679, the Federal Employee Pay Fairness Act of 1998, legislation that will seek to ensure pay equity for our Nation's civil servants.

In 1990, Congress and then-President Bush approved the Federal Employees Pay Comparability Act of 1990 (FEPCA), legislation which governs the pay system for all general schedule Federal employees—nearly 76% of the workforce in the Executive Branch. Recognizing that Federal employees' salaries have trailed those of their private sector counterparts by as much as 30%, this law was enacted in order to bring Federal employees toward comparability with the non-federal rates that prevail in different localities across the country.

The law set in motion a schedule to close 20% of the pay gap in 1994 and an additional 10% each year thereafter through 2002 to bring Federal salaries within 5% of their private sector counterparts. Each year, the President's Pay Agent makes a recommendation to the President as to what the rates should be in order to comply with FEPCA and remain on schedule to reach comparability by 2002. However, the law also grants the President the authority to override this schedule and set the pay adjustments annually. Since 1994, FEPCA has never been fully implemented. In fact, in 1994, 1995, 1996 and 1998, Federal workers received a reduced annual adjustment, and fully locality payments have never been provided. Thus, instead of facing a 30% pay gap in 1999 as FEPCA would have allowed, we actually face a 69.3% gap today.

The President has the authority under FEPCA to deviate from the Pay Agent's recommendation "because of national emergency or serious economic conditions." Although FEPCA cites consideration of pertinent economic measures such as the GNP, unemployment rate, budget deficit, and CIP, it does not define what constitutes a "serious economic condition." In fact, despite the record economic growth, low unemployment, and reduced budget deficits of the past five years, the President continues to cite "serious economic conditions" each

year when he deviates from the FEPCA-recommended pay levels and proposes a lower pay plan.

Our bill, a companion to legislation introduced by Congressman HOYER and others in the House, would change "serious economic conditions" to "severe economic conditions" and define "severe economic conditions" to clearly indicate when the President can exercise his authority over the pay schedule. Simply put, a "severe economic condition" is defined in the bill as "two consecutive quarters of negative growth in the real Gross Domestic Product"; the definition of recession most commonly used by economists. By providing an objective, rather than a subjective standard, this legislation will ensure that our Federal employees receive a fair and adequate pay level, as set out in current law.

Mr. President, over the years, Federal employees have made significant sacrifices in the name of deficit reduction. The Federal government is currently on target to downsize by more than 272,000 employees by 1999, and according to the Office of Personnel Management, has already reduced the number of Federal workers by more than 254,000 as of September, 1997. Additionally, these employees have persevered despite numerous attacks on their pay and earned benefits and the denigration by some in this body during the government shutdowns of 1995 and 1996. Through it all, Federal employees have continued to provide the high quality of service the American public has come to know and expect.

Now, in order to maintain the high quality of service the American people have come to expect, we need to be able to recruit and retain the most qualified and competent employees. Certainly, if we are to expect more from our Federal workforce, if these very dedicated individuals have to do more with less during this time of downsizing, then we should ensure a rate of pay comparable to what they could get in the private sector. Federal employees and the public they serve deserve no less.

Mr. President, as one who firmly believes in value of a first-rate public service, I urge my colleagues to join me in support of this important legislation to provide pay equity for America's Federal worker.

Mr. President, I ask that the text of the bill be printed in the RECORD.

The text of the bill follows:

S. 1679

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Employee Pay Fairness Act of 1998".

SEC. 2. LIMITATION ON AUTHORITY TO PROVIDE FOR AN ALTERNATIVE PAY PLAN.

(a) IN GENERAL.—Paragraph (1) of section 5303(b) of title 5, United States Code, is amended by striking "If, because of national emergency or serious economic conditions affecting the general welfare," and inserting "If, because of a declared state of war or severe economic conditions,".

(b) SEVERE ECONOMIC CONDITIONS DEFINED.—Section 5303(b) of title 5, United States Code, is amended by adding at the end the following:

"(4) For purposes of applying this subsection with respect to any pay adjustment that is to take effect in any calendar year, 'severe economic conditions' shall be considered to exist if, during the 12-month period ending 2 calendar quarters before the date as of which such adjustment is scheduled to take effect (as determined under subsection (a)), there occur 2 consecutive quarters of negative growth in the real Gross Domestic Product."

(c) CONFORMING AMENDMENT.—Paragraph (2) of section 5303(b) of title 5, United States Code, is amended by striking "an economic condition affecting the general welfare under this subsection," and inserting "economic conditions for purposes of this subsection,".

SEC. 3. LIMITATION ON AUTHORITY TO PROVIDE FOR AN ALTERNATIVE LEVEL OF COMPARABILITY PAYMENTS.

(a) IN GENERAL.—Subsection (a) of section 5304a of title 5, United States Code, is amended by striking "If, because of national emergency or serious economic conditions affecting the general welfare," and inserting "If, because of a declared state of war or severe economic conditions,".

(b) SEVERE ECONOMIC CONDITIONS DEFINED.—Section 5304a of title 5, United States Code, is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following:

"(b) For purposes of applying this section with respect to any comparability payments that are to become payable in any calendar year, 'severe economic conditions' shall be considered to exist if, during the 12-month period ending 2 calendar quarters before the date as of which such payments are scheduled to take effect (as determined under section 5304(d)(2)), there occur 2 consecutive quarters of negative growth in the real Gross Domestic Product."

SEC. 4. EFFECTIVE DATE.

(a) NEW STANDARDS APPLY STARTING WITH ANY ALTERNATIVE PAY PROPOSAL SCHEDULED TO TAKE EFFECT AFTER 1998.—The amendments made by this Act shall apply with respect to any alternative pay adjustments under section 5303(b) of title 5, United States Code, and any alternative level of comparability payments under section 5304a of such title 5, scheduled to take effect after 1998.

(b) TRANSITION PROVISIONS.—

(1) REVISED DEADLINE FOR ALTERNATIVE PAY PLAN REQUIRED TO BE SUBMITTED IN 1998.—For purposes of applying section 5303 of title 5, United States Code, with respect to any adjustment scheduled to take effect in calendar year 1999, subsection (b) of such section (as amended by section 2) shall be applied by substituting "December 1" for "September 1" in paragraph (1)(A) thereof.

(2) EFFECT OF AN ALTERNATIVE PAY PROPOSAL SUBMITTED BASED ON EARLIER STANDARDS.—Any plan or report submitted under the provisions of section 5303(b) or 5304a of title 5, United States Code, as applicable, relating to any alternative pay adjustments or alternative level of comparability payments proposed to take effect after 1998, if based on the standards specified in such provisions as in effect before the date of enactment of this Act—

(A) shall not be implemented; and

(B) shall not preclude the submission of any other plan or report under such provisions as amended by this Act. •

TRIBUTE TO HARRY CARAY

• Mr. BOND. Mr. President. I rise today to pay tribute to the late Harry